

§ 152.203

development, airport master planning, and airport system planning.

**§ 152.203 Allowable project costs.**

(a) *Airport development.* To be an allowable project cost, for the purposes of computing the amount of an airport development grant, an item that is paid or incurred must, in the opinion of the Administrator—

(1) Have been necessary to accomplish airport development in conformity with—

(i) The approved plans and specifications for an approved project; and

(ii) The terms of the grant agreement for the project;

(2) Be reasonable in amount (subject to partial disallowance to the extent the Administrator determines it is unreasonable);

(3) Have been incurred after the date the grant agreement was executed, except that project formulation costs may be allowed even though they were incurred before that date;

(4) Be supported by satisfactory evidence;

(5) Have not been included in an airport planning grant; and

(6) Be a cost determined in accordance with the cost principles for State and local governments in Federal Management Circular 74-4 (39 FR 27133; 43 FR 50977).

(b) *Airport Planning.* To be an allowable project cost, for the purposes of computing the amount of an airport planning grant, an item that is paid or incurred must, in the opinion of the Administrator—

(1) Have been necessary to accomplish airport planning in conformity with an approved project and the terms of the grant agreement for the project;

(2) Be reasonable in amount;

(3) Have been incurred after the date the grant agreement was entered into, except for substantiated and reasonable costs incurred in designing the study effort;

(4) Be supported by satisfactory evidence; and

(5) Be figured in accordance with Federal Management Circular 74-4 (39 FR 27133; 43 FR 50977).

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**§ 152.205 United States share of project costs.**

(a) *Airport development.* Except as provided in paragraphs (b) and (c) of this section, the following is the United States share of the allowable cost of an airport development project approved for the specified year:

(1) 90 percent in the case of grants made from funds for fiscal years 1976, 1977, and 1978, and grants from funds for fiscal year 1980 made after February 17, 1980, for—

(i) Each air carrier airport, other than a commuter service airport, which enplanes less than one quarter of one percent of the total annual passengers enplaned as determined for purposes of making the latest annual apportionment under section 15(a)(3) of the AADA;

(ii) Each commuter service airport; and

(iii) Each general aviation or reliever airport.

(2) 80 percent in the case of grants made from funds for fiscal year 1979 and grants from funds for fiscal year 1980 made before February 18, 1980, for the airports specified in paragraph (a)(1) of this section.

(3) 75 percent in the case of grants made from funds for fiscal years 1976 through 1980 for airports other than those specified in paragraph (a)(1) of this section.

(b) In a State in which the unappropriated and unreserved public lands and nontaxable Indian lands, both individual and tribal, are more than five percent of the total land in that State, the United States' share under paragraph (a) of this section—

(1) Except as provided in paragraph (b)(2) of this section, shall be increased by the smaller of—

(i) 25 percent; or

(ii) A percentage (rounded to the nearest one-tenth of a percent) equal to one-half of the percentage which the area of those lands is of the total land area of the state; and

(2) May not exceed the greater of—

(i) The percentage share determined under paragraph (a) of this section; or

(ii) The percentage share applying on June 30, 1975, as determined under paragraph (b)(1) of this section.